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ON-THE-RECORD BRIEFING

**Assistant Secretary for Western Hemisphere Affairs Thomas A. Shannon
On the Secretary's Travel to Canada**

**February 22, 2007
Washington, D.C.**

(12:55 p.m. EST)

MR. CASEY: Okay. Good afternoon, everyone. Glad to have you all here. Matt, welcome back again. I think we've already -- Sean's welcomed you once. I haven't had the chance to, but good to see you there even if slightly shifted from your former chair.

QUESTION: We'll have to talk about the chair.

MR. CASEY: Yeah, well, you know, there are many chair issues out there. Anyway, as all of you know, the Secretary will be traveling to Ottawa tomorrow for meetings with her counterparts from the Mexican and Canadian Governments. As well, Secretary Gutierrez and Chertoff will be along and they will have meetings, again, with their counterparts, an all three-way side.

I wanted to give an opportunity for Assistant Secretary for Western Hemisphere Affairs Tom Shannon to talk to you all a little bit about the meetings tomorrow, about the SPP and the process that goes along with it and have a chance to have you all ask a few questions of him. So Tom, I'm going to turn it over to you.

ASSISTANT SECRETARY SHANNON: Good. Thank you, Tom, and hello to all of you. As Tom noted, the Secretary is traveling tomorrow along with Secretaries Chertoff and Gutierrez. She'll have an opportunity to spend a day in Ottawa as part of the Security and Prosperity Partnership ministerial meeting. This is the second Security and Prosperity ministerial meeting since the SPP was created in March of 2005.

As you know, it's a trilateral agreement or arrangement between Canada, the United States, and Mexico to meet on a regular basis, both at the leader level and the ministerial level to discuss how we can improve the economic competitiveness of the three North American countries,

improve trading relationships within North America, but more importantly, understand how we can protect the prosperity and the well-being of the three -- of the citizens in the three countries through working together on security issues and security-related issues.

The Secretary will have an opportunity during her time in Ottawa to hold bilateral meetings with the Canadian Foreign Minister Peter Mackay, and with the new Mexican Foreign Secretary Patricia Espinosa. Although the Secretary has spoken with the Mexican Foreign Secretary by telephone, this will be her first opportunity to meet in person with the Mexican Foreign Secretary.

And then the three foreign ministers, Secretary Rice, Foreign Minister Mackay, and Secretary Espinosa will hold a trilateral meeting. And Secretaries Chertoff and Gutierrez will hold similar trilateral meetings with their counterparts. This is really a prep for a leaders meeting which will take place later in the year. The date for that has not been established yet, but it will be announced soon.

There have been two leaders meetings up to this point. The first took place in March of 2005 at Baylor University in Waco, Texas. That was the kickoff of the Security and Prosperity Partnership. The second meeting took place in March of 2006 in Cancun, Mexico. And the third leaders meeting will take place sometime later today. Very briefly, just to give you an idea of -- I'm sorry, but later this year and -- thank you.

Very briefly, before I take any questions you might have, North America -- the three countries of North America have a combined GDP of \$15 trillion. They have an incredibly active trading relationship. Currently, about \$850 billion a year is traded across the three economies, which amounts to about \$2.3 billion a day in goods and services moving across the borders between Canada, the United States, and Mexico. And to highlight this even further, the value of U.S. exports to Canada moving across a single bridge, the Ambassador bridge between Detroit and Windsor exceeds U.S. exports to Japan. Also in terms of moving the people across frontiers, there are about 500 million legal border crossings per year between the three countries, about 100 million border crossings between the United States and Canada and about 400 million legal border crossings between the U.S. and Mexico. And I give you these facts just to highlight the very dynamic nature of North America, the dynamic nature of not only the movements of goods and services across borders, but also of people and how important those are to all three economies.

Why don't I just stop there and take any questions you might have.

QUESTION: I believe the last time Secretary Rice met with Foreign Minister McKay she said that she said that she had asked Secretary Chertoff to take another look at the Maher Arar case. Do you know if that review is complete and if there's been any conclusion on it?

ASSISTANT SECRETARY SHANNON: My understanding is that review is complete, although I think you should direct the question to DHS. But my understanding is that Secretary Chertoff along with Secretary Gonzales -- and Attorney General Gonzales have done that and have communicated with the Canadians.

QUESTION: And what was the outcome?

ASSISTANT SECRETARY SHANNON: That Mr. Arar remains on certain lists within the U.S. Government, notwithstanding the Canadian decision.

Yeah.

QUESTION: Mr. Shannon, within the last day or so, while Prime Minister Harper has been in the news, he's somewhat complaining about the whole visa issue. In other words, Americans, if they do this, Canada will need passports eventually and for the truckers that come in and out of Canada and I would assume, too, you're also mentioning Mexico. It is a big hassle and he is projecting a total loss of this viability or economic, both tourism as well as goods going back and forth. Is there any way that there are commerce groups that are going to work (inaudible) rather than the State Department and/or let's say put it to some of the industry people directly between the two countries?

ASSISTANT SECRETARY SHANNON: You mean in regard to the Western Hemisphere Travel Initiative?

QUESTION: Exactly.

ASSISTANT SECRETARY SHANNON: Well, the Western Hemisphere Travel Initiative of course is U.S. legislation. And so we're under a legislative requirement to meet the will of the Congress to make sure that people coming and going from the United States travel with passports, so we know who's coming and going across our borders and frontiers. We've been working very closely with the Canadians, with the Mexicans, but also with others who have an interest in this, especially in the Caribbean countries who rely on a lot of American tourists traveling. And DHS has been conducting a lot of these conversations, especially with Canada. Canada has expressed its concern to us on a variety of occasions. You know, we have begun the process requiring passports for air travel and that has actually worked in a fairly smooth way and we've had almost no complications. We still have a bit of time before we have to require those passports for land and sea entrances. But I can guarantee you that there are a many interested parties on the commerce side and, you know, a variety of different agencies in different governments and we're communicating with all of them.

QUESTION: Is (inaudible) exempted from this as is being imported with the land and sea, like the Canadians?

ASSISTANT SECRETARY SHANNON: This is something that's being considered at this point, but the DHS is -- has to address that question.

QUESTION: Okay. Well, what is -- you know, what are the prime issues, I guess, to be discussed at this? Is there any one specific thing or two specific things that are going to take priority or are going to consume most of the meeting time?

ASSISTANT SECRETARY SHANNON: There's a couple of things. Coming out of the Cancun leaders summit, the leaders identified several priorities that they wanted worked on in anticipation of the next leaders meeting. And what the ministers will be doing is taking a check on where all three governments are in this regard and those areas where -- are working on a trilateral initiative on energy, working on a coordinated North American response to avian and pandemic influenza, working on cooperation on emergency management and looking for ways to improve security while facilitating movement across borders and also a means to improve each of the three countries competitiveness individually and as a North American market.

And in regard to the final in terms of competitiveness, coming out of the Cancun summit the leaders agreed to, working with the private sector, create a North American Competitiveness Council which would allow the private sector to have input directly into the SPP process. This council was created in June and they will be presenting a report to ministers and the ministers will be meeting with the North American Competitiveness Council. So the leaders -- I mean, the ministers will be looking through the proposals that have been worked up in these different areas of concentration and meeting with the Competitiveness Council.

QUESTION: In terms of the bird flu and emergency -- are there any specifics to any of these things or they're just broad outlines of if we get hit with bird flu we're going to have to do something?

ASSISTANT SECRETARY SHANNON: Well, there's much more in the broad outlines.

QUESTION: Can you go into any of the --

ASSISTANT SECRETARY SHANNON: I can't go into detail yet, simply because the ministers still have to meet and discuss the degree of preparations of these agreements.

QUESTION: As of today, are the U.S., Canada and Mexico ready to fight a potential pandemic of bird flu or no? Do we have to wait until tomorrow to find out?

ASSISTANT SECRETARY SHANNON: I think we're in a good position to fight avian and pandemic influenza. I think there's been a tremendous amount of work done by all three countries with Under Secretary Dobriansky taking a lead from the U.S. side and I think we're going to have a very kind of strong trilateral procedure and agreement.

QUESTION: Well, so do you expect then -- and I'll stop after this -- but do you expect then there'll be something solid that comes out on each of these issues? These what -- one, two, three, four, five main issues that --

ASSISTANT SECRETARY SHANNON: Well, remember, this is a ministerial in preparation for a leaders meeting.

QUESTION: No, I understand. But are they going to come up with some concrete proposal, like we're going to link the CDC and whatever the Canadians have or whatever the Mexicans have, say just on bird flu that --

ASSISTANT SECRETARY SHANNON: There'll be concrete proposals in all these areas that will then be presented to leaders at the leaders meeting.

QUESTION: But are we going to hear about them tomorrow?

ASSISTANT SECRETARY SHANNON: We'll hear about some of them but not all of them.

QUESTION: Okay.

QUESTION: Is it correct to assume then that the leaders meeting will be -- since Canada's hosting this ministerial that they'll also be hosting the --

ASSISTANT SECRETARY SHANNON: Correct.

QUESTION: -- leaders meeting?

ASSISTANT SECRETARY SHANNON: Correct.

QUESTION: In sunny Ottawa?

ASSISTANT SECRETARY SHANNON: We don't know where yet. There's a variety of spots.

MR. CASEY: We have time for like one or two more. We're start with Sylvie and then go in the back. Sylvie, why don't you go ahead.

QUESTION: Yesterday, there was a demonstration in Canada for some opponents to this partnership who are saying that this is a very secretive body and you never publish any statement or you don't explain what your work is. Do you have any comment on that?

ASSISTANT SECRETARY SHANNON: Well, just that there's an SPP website which we established in anticipation of launching the Security and Prosperity Partnership, that leaders have met twice and have issued statements that a report was done in -- following the first SPP meeting in Waco in March of 2005. And I believe a long report was issued that summer, the summer of 2005, kind of laying out the purpose, the intention, and the goals of the SPP partnership. And that each time there's been a ministerial meeting or a leaders meeting, they've been publicized, there have been statements.

So we think that we have kind of created not only a trail of public events, but also a trail of very explicit documents highlighting what it is we're trying to accomplish.

QUESTION: Thank you.

MR. CASEY: I want to do the last one here in the back, so I think we'll try to call one more. We'll make that the last one and then we'll go right straight on into the rest of the briefing.

QUESTION: Thank you. Just going back to the passports issue again, Ontario, one of the biggest provinces in Canada, has announced that they're developing enhanced driver's licenses with high-tech capabilities, similar to the pass cards that are being developed in the U.S.

What kind of appetite is there for accepting this kind of thing within the State Department and Homeland Security?

ASSISTANT SECRETARY SHANNON: Ultimately, Homeland Security is the best agency to answer the question, but I will say that driver's licenses in the United States are issued by state motor vehicle organizations. And they're issued to indicate that people are capable of driving. They are not primary identity documents for border crossing. And so to create a secure driver's license requires a lot of work by a lot of different entities and so it's complicated. But again, this is something that DHS has looked at and is -- you know, talking very closely with the Canadians about.

QUESTION: So -- and there is a pilot project to this effect going on between Washington state and British Colombia, so that would seem to suggest that there's an openness to it.

ASSISTANT SECRETARY SHANNON: Yeah, if you're from the state of Washington traveling to British Colombia.

QUESTION: Right.

ASSISTANT SECRETARY SHANNON: Okay. Thank you very much.

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